

**AFFIDAVIT OF LYNN B. KELSOE**

**STATE OF ALABAMA     )**

**COUNTY OF COFFEE     )**

Before me, the undersigned authority, personally appeared Lynn B. Kelsoe, who first being duly sworn, deposes and says as follows:

1. My name is Lynn B. Kelsoe. I am competent in all respects to execute this Affidavit. I am Vice President of Community Bank & Trust of Southeast Alabama ("CB&T"). I am authorized to provide this Affidavit on behalf of CB&T.

2. This Affidavit is based upon my personal knowledge of the facts and my review of the records of CB&T. The records of CB&T are created, maintained, and preserved by CB&T in the ordinary course of CB&T's business, and as a regular and ordinary business practice of CB&T. The exhibits attached to this Affidavit are true and correct copies of the originals of the same.

3. "AA Adams Construction Co.," an Alabama general partnership, is indebted to CB&T under a promissory note dated January 15, 2004, in the principal amount of \$259,188.07 (the "Note"). Exh. 1 (copy of the Note). The Note was a consolidation and renewal of prior promissory notes evidencing partnership debt owed to CB&T. Mr. Adams was a guarantor of the Note and of the promissory notes that were renewed under the Note. As of April 25, 2005, the debt owed under the Note is \$273,249.04 (\$250,490.87 -- principal; and \$22,758.17 -- interest), exclusive of late fees and collection costs.

4. The Note contains a Security Agreement in which AA Construction Co. granted to CB&T a security interest in Equipment, Accounts, General Intangibles, and identified

Exh. D

contracts. **Exh. 1.** CB&T filed a UCC-1 with Alabama's Secretary of State on January 29, 2004. **Exh. 2** (UCC-1, B-04-0073409FS).

5. On February 27, 2004, CB&T, AA Adams Construction Co., and Ben Adams entered into that certain Correction Amendment to Security Agreement. **Exh. 3** (copy of the Amendment). Pursuant to the Amendment, CB&T amended the note and security agreement, and CB&T prepared two UCC-3's and a UCC-1. CB&T recorded on March 3, 2004, its two UCC-3's amending the UCC-1 filed on January 29, 2004. **Exh. 4** (copy of two UCC-3, both bearing file number B-04-0073409AM). In addition, CB&T recorded on March 3, 2004, a second UCC-1 to perfect CB&T's Security Interest in all Equipment, Accounts, General Intangibles, Payment Intangibles, Contract Claims, and Commercial Tort Claims of AA Adams Construction Co. and Adams. **Exh. 5** (copy of UCC-1, 04-015-9577FS).

  
Lynn B. Kelsoe

SWORN TO AND SUBSCRIBED  
BEFORE ME ON THIS 28<sup>th</sup> DAY  
OF April 2005

  
Notary Public

My Commission Expires: MY COMMISSION EXPIRES OCT. 16, 2008  
SEAL